

SECURITY INFORMATION

AUG 17 1953

CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

17 August 1953

STAFF MEMORANDUM NO. 383

SUBJECT: The Iranian Situation

1. Attached is a brief draft estimate of the implications of the attempted coup against Mossadeq. Its implications appear serious enough to warrant some action by O/NE. The following three choices present themselves:

a. O/NE could prepare a memorandum for the D/CI. O/CI has already prepared a reasonably adequate memorandum on the short-run implications of the week-end's events. However, O/NE could either issue a revised version of its memorandum of 13 August or issue a brief supplement to it. The staff would recommend such a procedure because:

- 1) Those for whom this memorandum was intended presumably still have need of it;
- 2) An up-dated version would appear to be more useful than the 13 August draft;
- 3) A revised version could be made available by 18 or 19 August.

b. O/NE could recommend publication of a crash special estimate on the significance of the Shah's flight and the attempted coup against Mossadeq. Again, the 13 August memorandum, approximately revised, could serve as a Board draft, making agency contributions

CONFIDENTIAL

unnecessary. Such an estimate would not attempt to project beyond 1953, except in most general terms. The staff would vote against such an estimate because:

- 1) The recent events have produced no changes in Iran which would alter the basic conclusions of NIE-75/1 insofar as they deal with developments during 1953;

- 2) The principal users of a special coordinated estimate dealing with developments in 1953 are already adequately served by NIE-75/1 and would be further served by a revision of the 13 August memorandum;

- 3) A crash coordinated special estimate would further delay work on the projected estimate on developments in Iran through 1954, now scheduled for production during the fourth quarter of 1953;

- 4) It would be manifestly impossible to produce within two or three weeks a useful or adequate coordinated estimate of developments in Iran through 1954;

- 5) Any basic review of US policy toward Iran should be based upon such an estimate.

c. O/NIE could recommend adhering to the present schedule of preparing a full-scale NIE on probable developments in Iran through 1954 for publication in the fourth quarter of 1953, preferably in late October or early November. We would recommend such a procedure, not only for the reasons in paragraph b above, but on the grounds that:

- 1) It would provide sufficient time not only for a

thorough examination of probable trends in Iran through 1954 but for a more careful assessment of the probable future implication of the developments which will be set in motion by the recent changes in Iran.

2. In summary, we recommend that:

a. O/NE revise its memorandum of 13 August so as to serve the immediate needs of those for whom it was produced;

b. Schedule the coordinated estimate or Probable Developments in Iran through 1954 for publication in late September or early October.

3. In the event that the IAC requests the special IAC coordinated estimate described in paragraph 2b above as well as the long-range paper, the Staff would recommend against course 2a above.

~~CONFIDENTIAL~~  
SECURITY INFORMATION

CENTRAL INTELLIGENCE AGENCY  
OFFICE OF NATIONAL ESTIMATES

17 August 1953

SUBJECT: The Iranian Situation

1. The unsuccessful attempt to remove Mossadeq from power this weekend, culminating in the flight of the Shah to Iraq, greatly advances the progressive deterioration of political stability in Iran.

2. On the one hand, Mossadeq's numerous non-Communist opponents have been dealt an almost crippling blow and may never again be in a position to make a serious attempt to overthrow him. The chief figures in the attempt to oust Mossadeq are already in jail or in hiding, thus at least temporarily eliminating or neutralizing the most vigorous of these opponents. Even more important, the Shah's flight -- a move which may well be followed by the appointment of a regency council and may even lead to designation of a new Shah or abolition of the monarchy -- greatly weakens the ability of Mossadeq's opponents to combine against him in the future. The withdrawal of the Shah from Iranian soil not only deprives the opposition of a central figure about which it could rally but also eliminates virtually all hope that the considerable prestige and authority of the monarchy could be used to secure the necessary cooperation of the security forces and reassure the public in any future effort to oust Mossadeq. Except in the unlikely event that a strong and resolute opposition majority

~~CONFIDENTIAL~~

develops in some future Majlis, any future attempt to unseat Mossadeq will necessarily be an out-and-out coup, without legal sanction.

3. On the other hand, Mossadeq's position will remain basically precarious, despite the temporary advantages which he will obtain from the failure of the attempt to unseat him and from the repressive measures he is likely to undertake to consolidate his victory. The events of the weekend are unlikely to provoke any great revival of enthusiasm for Mossadeq himself, and in any event his probable continued failure to solve the basic economic and social problems facing Iran will result in a slow but steady drain on his popular support. While Mossadeq will probably make greater use of authoritarian methods, he shows little promise of being able to eliminate all opposition. If Mossadeq goes through with new Majlis elections, as appears likely, his prestige plus his ability to rig the balloting will probably enable him to obtain a majority. However, he is likely to be little more successful than in the past in finding men who will stand by him once they are elected.

4. Thus the ultimate beneficiary of the failure to unseat Mossadeq is most likely to be the Tudeh Party which has regarded the neutralization of the "counterrevolutionary" forces around the Shah as a primary objective and which has also capitalized on the widening popular unrest and insecurity which has been developing under Mossadeq. Although Mossadeq's reassertion of his authority makes it less likely

~~CONFIDENTIAL~~

~~SECRET~~

that he will have to make important concessions to Tudeh to stay in office, Tudeh is not yet ready to seize control and will probably feel compelled to confine itself to pressure group tactics for the next few months. Nevertheless, Tudeh is at present the only remaining major contender for Mossadeq's power, and as the deterioration of the political and economic situation in Iran progresses its capabilities for an eventual showdown with Mossadeq will continue to grow. In the event of Mossadeq's death, Tudeh might will be able to capitalize on the confusion which would probably result and to gain control at least in Tehran.

5. Mossadeq's innate suspiciousness, which has probably been reinforced by the events of the weekend, may lead him to link the attempt to unseat him with the recent hardening of US policy toward him and to represent the attempt as an "imperialist" plot engineered by the US and UK. Even if Mossadeq convinces himself that the US is involved, however, we believe that he is likely to stop short of provoking an open break with the US. He will probably still feel the need of the US as a counterweight to the USSR, with which an attempt to settle outstanding problems is now under way. Moreover, he has long believed that if he held on long enough and thus proved that he was the man to deal with, fear of Communism would eventually force the US to come to his help. With his control newly reconfirmed and the opposition seriously weakened, Mossadeq probably believes that this concept is more valid than ever. Although he will probably criticize and seek to embarrass the US, his main object will probably be that of forcing the US to assist him on his terms.

~~CONFIDENTIAL~~

# MISSING PAGE

Approved For Release 1999/09/08 : CIA-RDP79S01011A001100020013-2

ORIGINAL DOCUMENT MISSING PAGE(S):

ATTACHMENT 4

Approved For Release 1999/09/08 : CIA-RDP79S01011A001100020013-2